

**BellSouth Telecommunications, Inc.**  
333 Commerce Street, Suite 2101  
Nashville, TN 37201-3300

guy.hicks@bellsouth.com

REC'D TN  
REGULATORY AFFAIRS

01 AUG 7 AM 11 19  
August 7, 2001

**Guy M. Hicks**  
General Counsel

615 214 6301  
Fax 615 214 7406

EXECUTIVE SECRETARY

VIA HAND DELIVERY

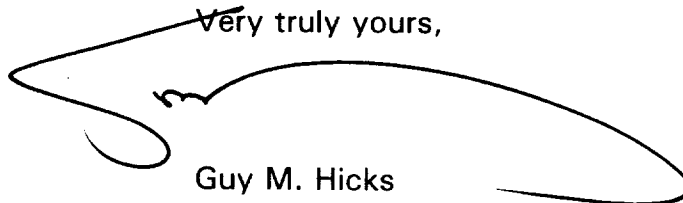
David Waddell, Executive Secretary  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37238

Re: *Formal Complaint of Universal Telecom, Inc.*  
Docket No. 01-00613

Dear Mr. Waddell:

Enclosed are the original and thirteen copies of BellSouth's Answer to the Formal Complaint of Universal Telecom, Inc. Copies of the enclosed are being provided to counsel of record.

Very truly yours,



Guy M. Hicks

GMH:ch  
Enclosure

**BEFORE THE TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE**

SIGNED

**In re:       *Formal Complaint of Universal Telecom, Inc.*  
              Docket No. 01-00613**

**ANSWER OF BELL SOUTH TELECOMMUNICATIONS, INC.  
TO FORMAL COMPLAINT**

Pursuant to Rule 1220-1-2-.03 and the ruling of the Tennessee Regulatory Authority ("TRA") during the July 24, 2001 Directors' Conference, BellSouth Telecommunications, Inc. ("BellSouth") respectfully submits this Answer to the Formal Complaint ("Complaint") Universal Telecom, Inc. ("Universal Telecom") filed on or about July 12, 2001.

1.     BellSouth is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 1 of the Complaint and can neither admit nor deny these allegations at this time.

2.     The allegations of Paragraph 2 of the Complaint require no response from BellSouth.

3.     The allegations of Paragraph 3 of the Complaint require no response from BellSouth.

4.     BellSouth admits that BellSouth Telecommunications, Inc. is the corporate entity that is subject to this Complaint. BellSouth denies the remainder of the allegations set forth in Paragraph 4 of the Complaint. Correspondence, pleadings, and other documents in this matter should be directed to and served upon:

Guy M. Hicks  
BellSouth Telecommunications, Inc.  
333 Commerce Street, Suite 2101  
Nashville, Tennessee 37201-3300  
(615) 214-6301  
(615) 214-7406 (fax)

5. BellSouth denies the allegations set forth in Paragraph 5 of the Complaint.

6. BellSouth admits that the parties have attempted to negotiate an amicable resolution to the issue set forth in the Complaint. BellSouth denies the remainder of the allegations set forth in Paragraph 6 of the Complaint.

7. BellSouth denies that Universal Telecom is entitled to have the TRA take any of the actions requested in Paragraph 7 of the Complaint.

8. BellSouth denies that Universal Telecom is entitled to have the TRA take any of the actions requested in Paragraph 8 of the Complaint.

9. Upon information and belief, BellSouth believes the allegations set forth in Paragraph 9 of the Complaint are true.

10. BellSouth admits the allegations set forth in Paragraph 10 of the Complaint to the extent that they apply to BellSouth within its operating territory in the State of Tennessee. BellSouth is without knowledge or information sufficient to form a belief as to the "areas in Tennessee currently served by Universal Telecom" and, therefore, BellSouth denies the remainder of the allegations set forth in Paragraph 10 of the Complaint.

11. BellSouth admits that the TRA has jurisdiction to hear and decide this Complaint and that section 252(d)(3) of the Act says what it says.

12. BellSouth denies the allegations set forth in Paragraph 12 of the Complaint.

13. BellSouth admits that Sections 251 and 252 of the Act say what they say.

14. BellSouth admits that Section 251(c)(4) of the Act says what it says.

15. BellSouth admits that Section 252(d)(3) of the Act says what it says.

16. BellSouth admits that TCA § 65-4-123 says what it says.

17. BellSouth admits that TCA § 65-5-204 says what it says.

18. BellSouth admits that TCA §65-4-204 says what it says.

19. BellSouth is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 19 of the Complaint and, therefore, BellSouth denies these allegations.

20. BellSouth is unsure what the allegations set forth in Paragraph 20 of the Complaint are intended to mean and, therefore, BellSouth can neither admit nor deny these allegations at this time.

21. BellSouth admits that the resale agreement provides for a 16% discount rate in Tennessee for resold services, and BellSouth admits that the Contract terms provide, in part, that "[i]n Tennessee, if Universal Telecom, Inc. provides its own operator services and directory services, the discount shall be 21.56%. Universal Telecom, Inc. must provide written notification to BellSouth

within 30 days prior to providing its own operator and directory services to qualify for the higher discount rate of 21.56%." Universal Telecom did not seek mediation or arbitration of this or any other language of the Contract, but instead Universal Telecom and BellSouth negotiated and entered into this binding agreement pursuant to 47 U.S.C. §252(a)(1). BellSouth denies the remainder the allegations set forth in Paragraph 21 of the Complaint.

22. BellSouth admits the allegations set forth in Paragraph 22 of the Complaint.

23. BellSouth is without knowledge or information sufficient to form a belief as to what Universal Telecom will or will not do in the future, but BellSouth admits that Universal Telecom has stated to BellSouth that it neither provides nor outsources its OS/DA services and that it does not intend to provide or outsource its OS/DA services in the future.

24. BellSouth admits that Universal Telecom maintains the position set forth in the first sentence of Paragraph 24 of the Complaint. BellSouth denies the allegations set forth in the second sentence of Paragraph 24 of the Complaint. BellSouth denies that it has or that it has attempted to do what is alleged in the third sentence of Paragraph 24 of the Complaint.

25. BellSouth admits the allegations set forth in the first sentence of Paragraph 25 of the Complaint, and BellSouth admits that the parties have exchanged certain correspondence regarding the issues alleged in the Complaint.

BellSouth denies the remainder of the allegations set forth in Paragraph 25 of the Complaint.

26. BellSouth denies the allegations set forth in Paragraph 26 of the Complaint.

27. BellSouth admits that the Final Order in Docket No. 96-01331 says what it says and denies any allegations in Paragraph 27 that are inconsistent with that Final Order.

28. BellSouth admits that the Final Order in Docket No. 96-01331 says what it says and denies any allegations in Paragraph 28 that are inconsistent with that Final Order.

29. BellSouth denies the allegations set forth in Paragraph 29 of the Complaint.

30. BellSouth denies the allegations set forth in Paragraph 30 of the Complaint.

31. BellSouth admits that Universal Telecom is entitled to the 21.56% discount rate only if it has provided BellSouth 30 days prior written notification that it is providing its own operator services and directory services. To the extent that they are inconsistent with this admission, BellSouth denies the allegations set forth in Paragraph 31 of the Complaint.

32. BellSouth denies the allegations set forth in Paragraph 32 of the Complaint.

33. BellSouth denies the allegations set forth in Paragraph 33 of the Complaint.

34. BellSouth denies the allegations set forth in Paragraph 34 of the Complaint.

35. BellSouth admits that the FCC's Third Report and Order and Fourth Further Notice of Proposed Rulemaking in Docket No. 99-328 says what it says. BellSouth is unsure what the remaining allegations set forth in Paragraph 35 of the Complaint are intended to mean and, therefore, BellSouth can neither admit nor deny these allegations at this time.

36. BellSouth denies the allegations set forth in the first sentence of Paragraph 36 of the Complaint. BellSouth admits that Paragraph 462 of the Order says what it says.

37. BellSouth denies the allegations set forth in Paragraph 37 of the Complaint.

38. BellSouth denies the allegations set forth in Paragraph 38 of the Complaint.

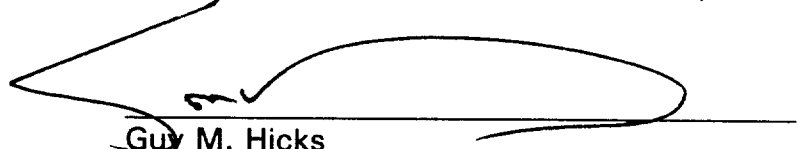
39. BellSouth denies the allegations set forth in Paragraph 39 of the Complaint.

40. BellSouth denies that Universal Telecom is entitled to any of the relief it requests in the "WHEREFORE" clause of the Complaint.

41. To the extent that any allegations set forth in the Complaint are not expressly admitted herein, they are denied.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.

A handwritten signature in black ink, appearing to read "Guy M. Hicks", is written over a horizontal line. The signature is stylized with a large loop and a checkmark-like flourish.

Guy M. Hicks  
333 Commerce Street, Suite 2101  
Nashville, Tennessee 37201-3300  
(615) 214-6301

R. Douglas Lackey  
Patrick W. Turner  
675 W. Peachtree Street NE, Suite 4300  
Atlanta, Georgia 30375



**CERTIFICATE OF SERVICE**

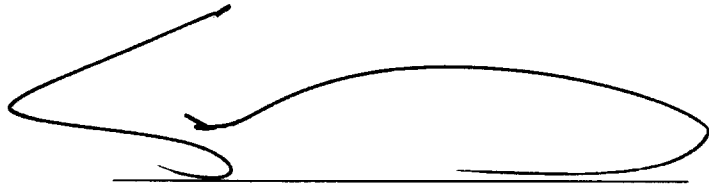
I hereby certify that on August 7, 2001, a copy of the foregoing document was served on the parties of record, via the method indicated:

- ☐ Hand
- ☒ Mail
- ☐ Facsimile
- ☐ Overnight

Michael J. Blade, Esquire  
Dinsmore & Shohl  
414 Union St., #1100  
Nashville, TN 37219

- ☐ Hand
- ☒ Mail
- ☐ Facsimile
- ☐ Overnight

John Selent, Esquire  
Edward T. Depp, Esquire  
Dinsmore & Shohl  
462 S. Fourth Ave., #2000  
Louisville, KY 40202

A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal line.